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**Quarterly Performance Report
October –December 2003 (1st Quarter FY04)
Americas' Accountability/Anti-Corruption Project**

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Newsletters

Issue 39 of the electronic Spanish-language newsletter, *ResponDabilidad/Anti-Corruption*, was posted on the ResponDanet website, in October, and distributed to subscribers via e-mail. It reported on major events, including, the 2003 TI Corruption Perception Index, Inter-American Development Bank: Zero Tolerance of Corruption initiative, the Second Sub Regional Meeting of Government Anticorruption Offices and the advancement of E-Government in Chile.

ResponDanet

The number of hits on ResponDanet was about the same this quarter as last, comfortably over one million. Compared to the same quarter last year, the increase was 33%. Cumulative hits since April 1998, when ResponDanet was inaugurated, and December 2003 is 12,303,843.

AAA is continuing to talk to potential prospects for securing sustainability of ResponDanet beyond the conclusion of the Task Order. These include universities, NGOs and international donor organizations.

Main Website and Sub Sites	Hits Previous Four Project Fiscal Year Quarters					Current Quarter Oct-Dec FY 2004
	FY 2003	FY 2003	FY 2003	FY 2003	Total for	
	1 st	2 nd	3 rd	4 th	Four	
	Quarter	Quarter	Quarter	Quarter	Previous	
	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Quarters	
PSI Net	831,014	1,046,339	1,241,578	1,095,156	4,214,087	1,087,330
AAA Flash-Sp.	26,934	27,159	23,992	45,262	123,347	54,902
AAA Flash-Eng	53,055	57,074	50,629	66,012	226,770	78,695
ACSF	13,234	6,002	13,363	10,981	43,580	11,293
ACWB	969	1,020	1,157	932	4,078	1,039
Visitor Survey	3,458	2,714	2,720	2,200	11,092	2,905
TOTAL	926,986	1,147,489	1,333,712	1,220,546	4,628,733	1,236,164
Avg. Hits/Month	308,995	382,496	444,571	406,849	385,727	412,055

I. Improved Government Policies and Practices to Reduce Corruption

Disseminate Successful Practices and Lessons Learned

Project Director Patricio Maldonado and Gerardo Berthin, Democracy and Governance Adviser, participated in the annual meeting of the Latin American Council for Development (CLAD) held in Panama City at the end of October. They contributed to discussions of the full range of development tools available to officials, such as the technical assistance modules (TAM) currently being developed by the project that can be used to help reduce corruption and facilitate economic growth and investment. Professor

Gerald Caiden of the University of Southern California, a recognized anti-corruption expert, in his remarks cited AAA and ResponDanet as key regional USAID-supported resources that are making a difference in the region relative to increasing government transparency and accountability. Messers Maldonado and Berthin also met with USAID/Panama DG staff to discuss specifically how AAA could support the mission's anti-corruption agenda. There was a strong indication that the mission would look to AAA in the near future for assistance.

TAM—Internal Control Framework for Latin America

The draft internal-control framework for Latin America, developed with AAA support, was presented to the membership of the Latin American Federation of Internal Auditors (FLAI), at its annual meeting, October 29-31, 2003, in La Paz. Sylvia Rodriguez, AAA governance special projects manager (*ADD) and Edison Estrella, internal-control consultant, participated in discussions of the framework and how governments in the region would apply it. In the end, FLAI formally recognized the framework as an important technical contribution to strengthening government transparency and accountability, but did not formally endorse it as the standard for the region. FLAI officials suggested that the framework be presented to the Intern-American Accounting Association (IAA) for formal adoption.

AAA had been in regular contact with FLAI leadership throughout development of the framework; indeed, FLAI officials reviewed drafts of the framework, made recommendations that were included in the final document and agreed to present that final document to its membership for formal adoption and endorsement. Much to the dismay of AAA, FLAI officials provided no credible explanation for this last minute procedural change. While the document was not formally endorsed by FLAI, it still has tremendous value. It is the only framework that addresses internal control in a Latin American cultural context. AAA will distribute it widely in the region and will promote it as a valuable tool to be used by governments in establishing internal-control standards.

TAM—Municipal IFMS

In Guatemala in mid October, Patricio Maldonado and Gerardo Berthin met with Patricia Duran de Jager and Jose Perez of FEMICA (Federation of Municipalities of the Central American Isthmus), Paul Fritz of USAID and the technical team preparing the TAM to discuss and finalize the methodology and the approach to the fieldwork. Immediately after, the technical team (made up of AAA financial-management specialist Lourdes Sanchez, three central American consultants and one expert from FEMICA traveled to 17 cities in four countries—Guatemala, El Salvador, Nicaragua and Honduras—to document the state of development of municipal IFMS. The team interviewed an array of actors and stakeholders—more than 200, representing municipalities, national government institutions, donors and civil society organizations. Based on these interviews and its own observations, the team prepared a report analyzing the latest developments in local-government financial management including noteworthy achievements and hurdles to be overcome.

In November, the same group again met in Guatemala to review the draft of the report presented by the technical team and make recommendations for refining it. In December, Gerardo Berthin and the FEMICA representatives converted the report into a TAM which should be ready for distribution to USAID missions, for comment, in January 2004.

II. Support to Missions

AAA is providing modest funding to the USAID Anti-Corruption Initiative in Guatemala, which started in September 2003 and is being managed by Casals & Associates, Inc (C&A). C&A will work with the national anti-corruption entity and civil society to encourage greater commitment to transparency and anti-corruption initiatives and to seek consensus on a focused agenda. The national election process slowed the start of the program but the election of Oscar Berger in the December second round held promise to offer receptivity for greater USAID involvement in fighting corruption. There is good potential in Guatemala for replicating AAA's TAM on CSO monitoring of country's compliance with the Inter-American Convention Against Corruption.

III. Strengthen Civil Society's Oversight Role in Reducing Corruption

Dominican Republic

AAA's Transparency Training for Community Leaders program, which trained local civil-society leaders and municipal officials in how to make local government more transparent and accountable, was concluded with a final workshop in early December. The program was comprised of four two-day workshops, held once a month beginning in August 2003, in Santiago de los Caballeros and neighboring communities in the Cibao region of the Dominican Republic. Forty-five community leaders and five local officials received intensive training in various models of citizen oversight and participation; these 50 leaders will now train approximately 450 citizens and local officials in their communities to adapt citizen-participation models presented in the workshops to their own situation.

As part of this initiative, Beatriz White, director of *EntreTodos*, one of the leading member organizations of the *Veeduría al Plan de Desarrollo de la Ciudad de Medellín* and AAA's Olga Nazario traveled to Santiago de los Caballeros and neighboring communities, September 29 to October 4, 2003. The purpose of the trip was to present the experience of the city of Medellín on citizen participation in oversight of the city's development plan.

The four-days trip included visits to Santiago, Moca, Mao and Salcedo, in the provinces of Santiago, Espaillat, Valverde, and Salcedo, respectively. There were important media contacts in Moca, Salcedo, Tenares, and Santiago in addition to the workshops and other meetings in the communities. The conclusions reached after the trip can be summarized as follows:

- Beatriz White's presence in the different small towns was a stunning success. She combines great sensitivity and command of her subject as well as extraordinary skills as a communicator. The small towns in the Cibao felt honored by her presence, especially coming from so far and telling a wonderful story of citizens'

participation for transparency in the midst of a culture of violence, as is the case of Medellín, Colombia.

- Interviews with the local media provided the opportunity to reach further throughout the communities and to make people aware that they can have a direct impact on improving their communities.
- Most of the communities, with the exception of Santiago, are several steps away from being able to implement oversight committees. Still, the example of Medellín gives these communities a goal to aim for and a methodology to achieve it.

Anti-Corrupción sin Fronteras [Anti-Corruption Without Borders (ACSF)]

ACSF continues to provide essential information and tools for more than 100 civil society organizations. ACSF has developed three specialized sub-lists: one for the Dominican Republic in general, another for the Cibao region in the Dominican Republic and a third for Guatemala. In addition to the general information disseminated through ACSF, the specialized listserves focus on national issues and provide a way for convening meetings and coordinating local activities.